THE HONOURABLE SRI JUSTICE V. ESWARAIAH

WRIT PETITION No.5004 OF 2007

DATED: 12-03-2007

BETWEEN

M/s. Tirupati Cotton Mills,
Renigunta, Chittoor District,
Rep. by its Personal Manager
Sri M. V. Rama Rao,
R/o. Tirupati.

...PETITIONER

AND

M/s. E.S.I. Corporation
Rep. by the Regional Manager,
5-9-23, Hill Fort Road,
Hyderabad and others.

...RESPONDENTS

ORDER:

Petitioner questions the order of the second respondent dated 08.03.2007 passed vide proceedings No.51.Q/2846-11 in seeking recovery of Rs.9,16,629/- pursuant to the various orders said to have been passed in respect of certificates dated 02.09.1993, 16.10.1998, 16.12.2002, 17.03.2006 and 07.03.2006 demanding total amount of Rs.9,16,629/-. The said order has been passed under Section 45-G of the Employees' State Insurance Act, 1948 (for short 'the Act').

2. Learned counsel for the petitioner submits that as the said amount has not been paid the bank account of the petitioner has been attached and steps are being taken for recovery of said amount from out of the deposits available in the said account. He further submits that, in fact, as against the

recovery certificate dated 16.10.1998 the petitioner submitted a representation dated 01.12.2004 stating that the actual SSI contribution for the period from 04/93 to 03/97 comes to Rs.1,84,864/- and accordingly paid the admitted amount vide Demand Draft dated 22.03.2006. In fact, it is stated that the first respondent demanded a sum of Rs.4.8 lakhs vide proceedings dated 18.07.2006 whereas the impugned letter goes to show that the total amount due and payable is Rs.9,16,629/-.

3. I am not inclined to express any opinion with regard to the actual amount due and payable by the petitioner, as all the questions and disputes raised have to be decided by the Employees Insurance Court alone under Section 75 of the Act.

4. However, as the petitioner being a running industry and revived by the Rehabilitation Scheme granted by BIFR, it is just and proper to direct the petitioner to avail the remedy available under Section 75 of the Act. I am also of the opinion that it is just and proper to stay the operation of the impugned proceedings for a period of four weeks subject to the condition that the petitioner deposits a sum of Rs.2,00,000/- (Rupees Two Lakhs only) and avails the remedy under Section 75 of the Act within four weeks from today. The attachment of the bank account of the petitioner shall be raised forthwith. If the petitioner fails to deposit the said amount, the order of this Court automatically stands vacated and it would be open to the respondents to implement the impugned proceedings.

The writ petition is accordingly disposed. There shall be no order as to costs.

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V. ESWARAIAH, J

March 12, 2007
DSK